

FAST FACTS FROM FONA: TWO TRENDS IN THE PANDEMIC ENVIRONMENT



Things are happening quickly as the world is shaken by the COVID-19 pandemic. The food and beverage industry is facing complex challenges and upheaval in this environment. At FONA, we wanted to share what we identify as two key trends in this rapidly changing time. Reach out if you need more information or are looking to quickly create taste solutions to fill a growing demand. Whatever your taste challenge, we can help you move forward.



SAFETY IS A KEY PRIORITY

In the pandemic environment consumers are no longer inherently trusting of restaurants, the food industry and even medical care. They are concerned about cleanliness, transparency into the origin of ingredients.

- While many restaurants around the US are pick-up or delivery only, according to Datassential, 89% of consumers say they feel safer eating food from home or the grocery store. This is ultimately

because they are
in total control of

cleaning and preparing their meals.

- Lack of availability of anything “sanitizing” has some consumers concerned while shopping and keeping a safe social distance but, stores like Costco are sanitizing carts before using them and even hanging signs to remind shoppers to keep 6 feet apart. Companies like Anheuser Busch and Diageo have even started making hand sanitizer and giving it away to consumers.

- With the hashtag #stayathome on the rise, consumers are finding new ways to be safe within the confines of their own home and one way is using grocery delivery. Instacart, Amazon and Walmart grocery delivery services each saw at least a 65% sales increase compared to this time last year according to Vox.
- Many grocery stores are opening early for Senior hours, donating to local food banks, and even Trader Joe's has been giving free flowers as a way to brighten the days of their customers.



PANTRY OVERFLOW

No longer is “just in time” inventory able to meet consumer demands as many

store shelves are still empty as grocers are doing their best to keep up with demand. According to a recent Shopkick survey, 47% of consumers reported stocking up on essentials, with 78% also stating it made them feel ‘safer.’ Bloomberg Intelligence notes that consumers have been stocking up on center-of-the-store and comfort food to make at home, a trend they think could continue past the pandemic if a recession hits.

As consumers are stockpiling, they are moving away from shopping the perimeter of the store to the center of the store as shelf-stable products gain more shelf-space in the pantry. Beyond the obvious toilet paper, stores are seeing an increase in items with a longer shelf-life such as rice, beans and pasta fly off store shelves.

- 93% of consumers stated buying food items and water, 74% are shopping for toiletries, 58% shopping for cleaning supplies and as store shelves are often bare, 85% of consumers have stated that brand names do not matter when shopping during a pandemic. -Shopkick
- Items like dried beans, rice, tuna and soup are all showing over 100% growth in retail sales from just 1 year ago, says the Wall Street Journal
- The non-dairy category was already gaining traction, but now consumers are definitely turning to dairy alternatives as shown in the huge increase in oat milk sales in the first week of March sales were up 347% according to Nielsen.

LET'S TALK

At FONA, we're here to help you fill your critical role in uncharted territory. Call 630-578-8600 or visit www.fona.com/chat

